

**DMEPOS Advisory Workgroup**  
Meeting Minutes, April 14, 2004, 10:00am - 4:00pm  
Helena, Montana

**Attendees:** Frank Malek, Maureen O'Reilly, Gene Salisbury, Sheri Simkins, Nancy Jennings, Ellen Vogelsang, Evelyn Davis, Tim Craigle, Linda Roberts, Cecilia Cowie, Mary O'Connell, Liz Harter, Mike Calcaterra, Tamara Kittelson-Aldred, Terri Thompson, Charity Mathews, Cindy Ivey, Tom Mitchell, Melissa Grove, Gary Colella

## **I. Department Reporting**

Frank Malek reported that the Department continues with the EPP Process for the next Legislature (Department Budget). No DMEPOS Provider rate increase planned due to the recent reimbursement methodology change that includes Medicare fee's for select items/services implemented on January 1, 2004.

The Department also plans a May completion date for the Medicaid Redesign Project. The design includes Federal State Plan Waivers to expand eligibility in the Mental Health Services Plan as well as the Children's Health Insurance Program.

Frank also reported program work on recently published CMS Quarterly Updates that include new and discontinued HCPCS as well as new and revised coverage criteria. Also discussed was the work on a revised program provider manual and program web page additions. Frank ended by soliciting ideas from the group. Suggestions should be made before the next workgroup meeting to be held in July.

## **II. Specialty Team Reporting**

### **A. Adaptive and Specialized Equipment – Tamara Kittelson-Aldred**

- a) *AAC Dedicated Devices vs. Computers:* Ellen Voglesang discussed the high cost of dedicated ACC devices in comparison to personal computers found on the market today. The discussion opened up to the coverage of personal computers in general. Frank Malek discussed the coverage of ACC devices by CMS through the definition of DME, and mentioned the fact that a "Dedicated Device" was not defined.

The group discussed devices that could and are being used with other typical Windows® Software. Frank stated that once the device or software is purchased by the Department, the ownership goes to the beneficiary. The payment of typical, non-related software is not

included in the purchase, rental or maintenance reimbursement of an ACC device by Montana Medicaid.

Frank stated that because such devices are covered only for those meeting the criteria for an ACC device or software, the focus could possibly be on the primary use of a device and not any additional capabilities of the device. In addition, the low cost of a PC could be experienced only if less than the set fee and the cost of the additional capabilities are not included in the Medicaid payment. Ellen stated that she would solicit the SLP Association for comment and a definition of a "Dedicated Device" if available. Specialty team will research and provide their findings/recommendations.

- b) *Streamlining the Prior Authorization (PA) Process and Payment of Equipment:* Sheri Simkins discussed the need to review basic items and the cost associated in doing so. Sheri felt that basic items should be processed without review, saving the state and provider's time and money.

Frank Malek explained that items subject to PA include those having a Medicaid fee equal to or greater than \$1000.00 and those identified as needing review by the Department. The Department decides the need for review based on many factors. Such factors may include medical necessity findings of post payment audits conducted by the Department or the PA requirement may be requested by provider groups or other entities.

The discussion became one of developing a checklist or better information guidelines for items requiring PA. The idea of revamping existing CMNs or establishing new CMNs was decided. Each Specialty team will research the idea and provide their findings/recommendations.

#### B. Durable Medical Equipment - Gene Salisbury

- a) *Cervical Traction Units:* Gene Salisbury discussed the difference between equipment not requiring an additional stand or frame and those that do. Frank Malek addressed a recent release from CMS that included a new procedure code for such devices (K0627). Frank further stated that Montana Medicaid would also provide coverage.
- b) *Commode Chairs:* Lisa Guinn discussed the need for PA on commode chairs. Frank Malek explained that due to commode chairs and shower chairs utilizing the same procedure code and fee, the decision to review them was made since most were being reviewed due to their cost.

Now that the reimbursement is 75% of billed charges, the need to review them could be changed as well. The group consensus was that their need is apparent and the high cost chairs with reimbursement equal to or greater than \$1000.00, would still require PA. Frank stated that this would be considered and addressed within the Department and he would respond back to the group.

- c) *Young Children and Powered Mobility*: Mary O'Connell discussed her direct involvement with the PA Unit regarding children and power wheelchairs. Mary discussed her involvement with power mobility camps developed by the Montana Adaptive Equipment Program (MAEP). Mary discussed developing assessment tools for young children and related research in such assessments.

Mary discussed the need for equipment trials and the difficulty in obtaining the equipment for an effective trial period. The discussion led to equipment recycling possibilities similar to MAEP. Mixed feelings were shared by the group pertaining to the involvement, affordability and structure of such a program. Mary commented that funding could be researched through grants. Mary will follow-up with the group on more information as it becomes available. Those with additional thoughts and interest in equipment recycling should contact Mary.

#### C. Respiratory Equipment - Lisa Guinn

- a) *CPAP/BIPAP's*: Lisa discussed the purchase and rental of devices by Medicare in comparison to Medicaid. Frank Malek stated that current Medicaid coverage criteria could be replaced with current Medicare criteria. Specialty team will research and provide their findings/recommendations.
- b) *Supplies – Medicaid vs. Medicare*: Supplies for suction machines was the subject for discussion, turning into a general discussion regarding Medicaid vs. Medicare and the allowances for billing supplies with some equipment and also coverage criteria in general. The group expressed mixed opinions as to what criteria could or should be followed and when.

Frank Malek stated that when the patient is Medicare/Medicaid eligible, the role of Medicaid becomes that of a supplemental insurance, paying only the co-payments and applied deductibles for covered items as required by the beneficiary. Frank further stated that in such cases, Medicare coverage criteria and determinations of medical necessity set precedence over Medicaid. Discussions of specific situations escalated to the point that Frank offered to meet with individuals concerning their situations after the meeting.

The discussion was concluded by Frank discussing coverage policies for Medicaid patients and that such policies are a combination of Department designated medical review decisions and Medicare, Region D DMERC policies. Frank also stated that providers are required to follow specific Montana Medicaid policy where it exists or applicable local DMERC policies when Montana Medicaid policy does not. Frank further stated that when coverage criteria for an item are not defined in policy, general Montana Medicaid coverage criteria would apply – i.e., limited to items that are medically necessary, delivered in the most appropriate and cost effective manner.

Frank asked the group for known examples of conflicting coverage criteria between Medicaid and Medicare. Examples should be provided through the appropriate specialty team to effectively present issues and recommendations at the next workgroup meeting.

D. Prosthetics and Orthotics - Linda Roberts

- a) *Arthritic Shoes*: Linda Roberts addressed the need for specialty shoes for patients with severe arthritis in their feet. Linda asked if it were possible to get coverage similar to those with diabetes.

Frank Malek stated that the reason for the coverage of diabetic shoes was the fact that CMS classified them as medically necessary based on a specific shoe definition, patient diagnosis and physical condition. Frank further stated the classification stemmed from a long battle with provider and consumer groups similar to the recent battle for ACC device coverage by Medicare.

Frank stated that the group could investigate the possibility of arthritic shoe coverage based on product definition, patient diagnosis and physical conditions. Specialty team will research and provide their findings/recommendations.

E. Medical Supplies - Mike Calcaterra

No Team Report

F. Claim Processing - Cindy Ivey

No Team Report

G. Recycling – Mary O’Connell

No Team Report

### III. New Business/Closing

Frank Malek and Cecilia Cowie will contact individuals from the Department to talk to the workgroup about the Qualified Medicare Beneficiary (QMB) Program and the new pilot program, "One Stop Shopping", being offered by the Senior and Long Term Division in the Billings.

Evelyn Davis addressed the group concerning a conflict with future meeting schedules. Evelyn proposed and the group conceded to hold workgroup meetings on the 2<sup>nd</sup> Thursday of the first month of each new quarter. New Meeting Schedules will be sent to each member and posted on the CAHRD web page when available.

The meeting adjourned.